

Oral statement on Friday Seminar on Emerging Issues – The Future of Economic Statistics¹
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I am pleased to provide a summary of Friday's seminar on the future of economic statistics and offer a proposal for a way forward. This session was unique in that it brought economists and statisticians together to talk about the collaboration necessary between the two disciplines to ensure that economic statistics are responsive, relevant and robust, particularly in a rapidly changing policy and data landscape.

As we all know, effective policy development is dependent on a solid understanding of the interplay between the economy, society and the environment. Our statistical programs must be responsive and provide the necessary data and insights in a timely manner that our citizens count on to improve lives.

There were 3 key takeaways from the Friday session that I would like to share with the Commission:

The first is that an urgent update to address the economic, social and environmental nexus if we are to truly depict and attain the 2030 Agenda of leaving no one behind, and having meaningful SDGs.

Specifically, this requires us to:

- Maintain a coherent and consistent system of economic statistics, including macroeconomic, business, trade and price statistics
- Better capture the impact of digitalization and globalization on production, consumption, employment, investment and financial flows.
- Move beyond GDP to include broader measures of progress including subjective measures of well-being such as life satisfaction, trust, economic insecurity, as well as measures of inequality in earnings, income, consumption and wealth and opportunity.
- Advance measurement of economic, natural, human and social capital.

The second takeaway is the urgent need for an institutional update whereby NSOs are transforming from principal producers of statistics to stewards of an evolving and complex data landscape.

This requires NSOs to:

- Institutionalize ongoing dialogue between economists and statisticians to set strategic directions
- Increase the use of alternative and big data and their integration with survey and administrative data sources to provide more detailed and timely statistics and analysis
- Increase collaboration and develop partnerships with stakeholders including the private sector and academia

¹ <https://unstats.un.org/unsd/statcom/50th-session/side-events/20190301-1M-friday-seminar-on-emerging-issues/>
https://unstats.un.org/unsd/statcom/50th-session/side-events/documents/20190301-1M-Summary_Friday-Seminar-The-Future-of-Economic-Statistics.pdf

The third takeaway is the urgent need to revisit and transform some of our long held practices to meet the needs of policy makers and citizens. To remain relevant NSOs need to:

- Devise more flexible and more responsive procedures for standard setting, which now take decades to develop and implement
- Take calculated risks in releasing experimental “good enough or fit for purpose” standards and related statistics and indicators that can be iterative and be implemented quickly.

Friday’s thought provoking discussion complements the recommendations from the Report of the Expert Group on International Trade and Economic Globalization Statistics. Stefan had asked at the end of Friday’s session that there be consideration given to potential actions and a subsequent decision for this session of the Statistical Commission. Notably, the merits of establishing a Friends of the Chair Group to do some thinking around the governance of economic statistics.

Before proposing and discussing the FOC group in greater detail, I would like to share some considerations and conditions. The existing pressures on NSOs and agencies are considerable and mounting. Statistical programs are struggling to meet the ever-increasing demands of users domestically and internationally. To remain relevant, we need a statistical system that is more nimble and the process for setting “official standards” and more efficient. Our collective efforts must be better aligned and focused. We need to avoid duplication of efforts, to better connect and coordinate the efforts underway that respond to the needs expressed during Friday’s session.

The primary focus of a potential Friends of the Chair group must be to increase the efficiency, effectiveness and responsiveness of the current system, without creating more bureaucracy or burden to an already stressed system.

The membership of the FOC group would include both statisticians and economists and the Group would be tasked with:

- Taking stock of existing initiatives and look at ways to rationalize them,
- Establishing a small set of priorities in consultation with stakeholders;
- And reporting back to the Statistical Commission in 2020 with a clear plan on how to move forward.

Canada is willing to offer support if the Group operates within a maximum two year horizon, focussing on reducing the current burden placed on NSOs and agencies and if there is a genuine commitment to working collaboratively within the existing key groups to make tangible progress during this coming year.

We propose that a first draft of recommendations be tabled at the 2020 session of the Commission with further refinements and tangible recommendations with clear accountabilities for the following year.

Thank you.

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